

Success hinges on

# Service After the Sale

Producers are discovering that after the auction is over, the salesmanship has just begun.

by *Corinne Blender*

**T**he last gavel has fallen, and the sales figures are in the books. Many seedstock producers breathe a sigh of relief when the last buyer pulls out of the drive. But this is just the beginning of the sale for many producers who use customer service to garner future sales for their programs.

That's a lesson Dan Byrd of Byrd Cattle Co., Red Bluff, Calif., learned quickly.

In 1980, Byrd sold his first heifer at the California Angus Days Sale. She brought \$4,300, a price he says was outstanding for the time. But not long after the sale, the buyer called to say the animal would not breed.

His response would become a story about the integrity of the operation managed by Byrd and his wife, Chris, and a shining example of customer service for the industry.

"With no questions asked, we asked him if we could have one week to refund his money," Byrd remembers. "We sold half of our purebred cows at the local sale barn and sent him a check within a week."

Byrd says the story is one they still hear people talking about. It is still used as a mark of integrity that he says they continue to stand behind.

"That's probably the greatest single thing we have ever done to make and keep customers coming back," he says.

## Power of service

As the power of customer service spread throughout the Angus industry, many

producers started making it more of a priority to share information and services with their customers.

"A great deal of time and effort is spent each year. It seems like we go from production sale preparation, to sale time, to delivery time, to sponsoring calf sales in the fall continuously," Ken Stielow says. He owns and operates Bar S Angus Ranch, Paradise,

Kan., where he puts a lot of thought and time into his customer service program.

"In the late '80s and early '90s there was more demand for good Angus genetics than there was supply available. Today, the reverse is true in many areas,"

Stielow says.

"Competition forces innovation, and additional services have been a way to differentiate oneself from other seedstock producers."

Today's Angus industry has changed faces. Good, quality cattle still remain the solid foundation of many herds, but customer service is a big player in the marketing of the breed.

"I don't think any seedstock operation would be in business very long without good customer service," Richard C. Tokach, Saint Anthony, N.D., says. "As competitive as this business is, it is

far easier to retain existing satisfied customers than it is to find new customers every year."

Tokach noticed the push for customer service at a time when the Angus business was really on the move.

"Because of the competitiveness of our business and especially the growth of the Angus business, the first major push for expanded customer service began around 10 years ago and has steadily increased since," Tokach says. "Customers realize that they are more than a number, and they have many options."

Tokach Angus Ranch provides a wide variety of services to its customers, but even a service as simple as providing a toll-free number helps them get to know the people with whom they do business.

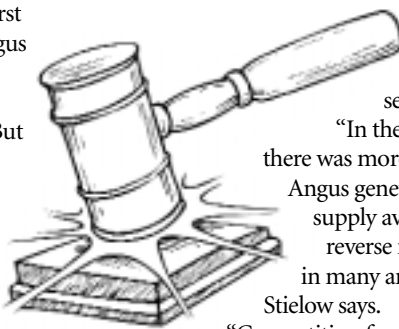
"I feel the most important thing we do for our customers is to try to develop a personal relationship with each of them," Tokach says. "Each customer runs a unique operation, and they all have different needs. By getting to know their operations and them as individuals, we can do the most effective job in catering to their needs."

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## First things first

Seedstock producers have their own ideas of what services are most important. And part of that comes from knowing the



customers they serve. But most will agree that their genetics are the best thing they have to offer.

“Reputation and a quality product, and standing behind the cattle are still the most important things,” Vance Uden, Franklin, Neb., says. Even though the Angus business is termed a “people business,” the genetics are still what is being sold.

“We’ve all heard stories where so-and-so didn’t stand behind this bull or heifer. It takes a lifetime to build up a reputation, and one bad deal to ruin it. Take care of the problem pronto and move on. We are fortunate to work with the best people in the world. Most people in agriculture are honest,” Uden adds.

After providing proven genetics, many programs separate themselves relative to the audience they serve. Byrd says it is a matter of buying into their program, not just buying an animal. Fellow producers say they agree.

“Probably the next most important service would be our unconditional first-season guarantee. We realize that a bull is a large investment to a commercial cattle producer, and a bull that injures himself the first season becomes expensive very fast,” Rob Thomas, Baker, Ore., says. “This is why we offer this guarantee — to ensure our customers that if one of our bulls gets hurt the first season out, we stand behind it 100%.”

Customer service can have its limits, however. For Uden, owner of TC Ranch, the physical characteristics of the customers’ operations in his area limit what he can provide for them. TC Ranch hasn’t sponsored

such services as replacement sales for its customers because their programs are not all the same and not everyone weans at the same time, he says.

Instead, he tries a different approach. He is using his own Internet site to help market customers’ cattle to feedlots and other potential buyers. He says he is still considering offering a sale for his customers.

Uden says 50 years in the seedstock business has taught him one thing about cattle buyers: The poorly advised don’t make happy customers.

“If you’re telling the truth right off the bat then you’re better off,” he adds. Uden says if the truth is that he doesn’t have what someone is looking for, then he won’t hesitate to help them find what they are looking for.

“Honesty is the thing, and if we don’t

have a bull for their services, we’d rather steer them right,” Uden says.

Even though customer service programs are catching on, Byrd says it is an area where some people have “really dropped the ball.” He points out that the average new seedstock producer survives only five years in the business before getting out, and says customer service may be the key to longevity in the trade.

“If producers would make customer service as large a part of their business as matings and herd health, they would probably be more successful financially and be in the business longer,” Byrd says.

### Time obligation

Customer service’s main expense is time, but it can be time well-spent.

“It takes the commitment from everyone involved in our operation that the customer comes first,” Tokach says. “It doesn’t matter if it is a simple thing like a returned phone call, coordinating deliveries somewhere, or taking care of a problem animal. Doing business in a timely manner, being professional and standing behind your product will do more for your business than what any advertising can buy.”

The customer service department lines aren’t open for just one season, nor does it take only a

couple of months to establish.

“Like everything else, you need to set priorities,” Tokach says. “Customer service isn’t something that you can just sit down and do. It takes a 365-day-a-year commitment.”

Knowing what to commit to and what cannot be managed is a difficult decision to make. Tokach says he has seen customer service gradually increase over the years but he expects it to intensify as seedstock operations become fewer and larger.

“All of us struggle with limited time and resources, yet I firmly believe that if enough customers ask for a particular service, then

## Potential customer services to consider

- ▶ Delivering cattle
- ▶ Genetic consulting
- ▶ Providing carcass data/performance EPDs
- ▶ Corresponding by phone/mail
- ▶ Sponsoring sales
- ▶ Providing fitting services
- ▶ Visiting customers’ operations
- ▶ Guaranteeing breeding
- ▶ Feeding customers’ cattle
- ▶ Providing insurance
- ▶ Providing incentives for juniors
- ▶ Providing a toll-free number
- ▶ Feeding and boarding until turn-out time
- ▶ Providing volume discounts
- ▶ Informing customers through a newsletter

we must do everything [possible] to accommodate them,” he says.

Professionalism is vital to providing services. It means prompt exchange of paperwork and other information in a timely manner. Whether it’s time or money that adds to the expense, most seedstock producers weigh the options.

“We try to make a cost-and-return estimate for each service,” Stielow says. “Some are necessary to just be in the business. There are others that must at least be perceived to pay their way.”

Knowing the keys to the operation’s success is an easy way for Thomas Angus Ranch to prevent overdoing their customer service program.

“It’s easy to get caught up in the competitiveness and provide too many nonessential services,” Thomas warns. “The key is to (1) provide the best genetics, (2) assist customers in selecting the genetics that best fit their needs, and (3) guarantee your product. Once you have established these key ingredients, other services can fall into place as needs arise.”

The Angus business is a business just like any other. Just because there is not a counter

for customers to ask questions over doesn’t mean the sale is ever final until the product is used satisfactorily.

Tokach says, “While all customers, commercial or seedstock, have different needs, they all want and need to be treated as the most important individual to ever buy

seedstock from your operation.”

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